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April 6, 2011

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street S.W. Washington, DC 20534

FILED/ACCEPTED

APR - 6 2011

Federal Communications Commission Office of the Secretary

Lynne Hewitt Engledow Pricing Policy Division Federal Communications Commission 445 12th Street S.W. Washington, DC 20534

Re: CC Docket No. 01-92; GN Docket No. 09-51; WC Docket Nos. 05-337, 07-135,

10-90; Data Related to Universal Service and Intercarrier Compensation Reform

Dear Ms. Dortch and Ms. Hewitt Engledow:

Attached is the redacted response of the National Exchange Carrier Association, Inc. (NECA) to a request (DA 11-575, dated March 29, 2011) from Sharon E. Gillett, Chief – Wireline Competition Bureau. This information is being filed pursuant to the Protective Order issued in this proceeding. In accordance with the Protective Order, this information has been marked:

REDACTED - FOR PUBLIC INSPECTION

Enclosures

cc: Sharon E. Gillett - Chief, WCB

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List A B C D E

Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92, et. al., Protective Order, 25 FCC Rcd 13160 (2010).

No. of Copies rec'd 0 + 1



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Re: CC Docket No. 01-92; GN Docket No. 09-51; WC Docket Nos. 05-337, 07-135, 10-90; Data Related to Universal Service and Intercarrier Compensation Reform

Dear Ms. Dortch and Ms. Hewitt Engledow:

Enclosed please find the National Exchange Carrier, Inc. (NECA) response to a request (DA 11-575, dated March 29, 2011) from Sharon E. Gillett, Chief – Wireline Competition Bureau (Bureau) to Regina McNeil, Vice President and General Counsel – National Exchange Carrier Association, Inc. This information is being filed pursuant to the Protective Order issued in this proceeding. ¹

The information supplied by NECA is contained on a CD-Rom accompanying this letter and was compiled from data received in the normal course of business, as well as data obtained through voluntary data requests. In addition, Universal Service data was obtained from the High Cost Disbursement tool available on the Universal Service Administrative Company (USAC) website. The data used for access tariff administration is complete, reliable, and available for all pool members; however, in some instances the Commission has requested data at a more granular level than what NECA collects for access tariff development and pooling settlements. Data from voluntary data requests may not be available for all years requested and is available only for the companies that responded to the voluntary surveys. This voluntary data is included pursuant to the Commission's request but has not been fully verified and may not be completely reliable. A full description of data availability is contained in Attachment 1, as well as a cross reference between the data items requested by the Commission and the Excel spreadsheet contained on the CD-Rom. A template for the data contained on the CD-Rom is included in Attachment 2. Data is provided by study area; however, company and study area names have been masked as previously agreed to by the Commission.

NECA seeks confidential treatment of the information provided on the CD-Rom under the Protective Order. Notwithstanding the Protective Order, the information provided on the CD-Rom is entitled to confidential, non-public treatment under the Freedom of Information Act (FOIA) and related

¹ Developing a Unified Intercarrier Compensation Regime, CC Docket No. 01-92, et. al., Protective Order, 25 FCC Red 13160 (2010).

provisions of the Commission's rules.² The information satisfies the requirement of FOIA Exemption 4 (trade secrets or commercial/financial information).

NECA submits the following information pursuant to section 0.459 in support of its request for confidential treatment of the data on the CD-Rom.

• Identification of the specific information for which confidential treatment is sought:

NECA seeks confidential treatment for the information on the CD-Rom, which contains confidential and proprietary information related to inter- and intrastate intercarrier compensation revenues, expenses, line counts, usage patterns, other regulated and non-regulated revenues, and long-term debt of NECA pool members.

• Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

This information was submitted in response to a Wireline Competition Bureau request in connection with CC Docket No. 01-92, GN Docket No. 09-51, WC Docket Nos. 05-337, 07-135, and 10-90.

• Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The information on the CD-Rom contains sensitive study area specific information provided by pool members to NECA in its capacity as interstate access tariff and pool administrator. At the study area level, the information is granular and highly confidential to the reporting pool members.

The information provided also includes supplemental items beyond the scope of interstate access administration, including items concerning non-regulated lines of business, that were provided to NECA in conjunction with data requests under the understanding that such information would be kept confidential.

The interstate access and supplemental data is treated as a confidential trade secret by pool members. NECA would not agree to submit the data in response to the Commission staff's request without assurances that the information will be kept confidential. It would be highly inappropriate for the data to be disclosed to the public or third parties.

• Explanation of the degree to which the information concerns a service that is subject to competition:

Rural telephone service has historically lent itself to "cherry picking" by competitors that choose to serve only the low cost areas within a study area. Detailed information about revenues and expenses may help prospective competitors to gain insight to incumbent LEC (ILEC) market strategies and gain competitive advantage. In addition, data on non-regulated services (e.g., video, Internet, etc.) is highly sensitive and commercially valuable. Public disclosure would harm the respondent's competitive position.

• Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The information provided in the attached CD-Rom is made available only to NECA representatives on a need to know basis. Any public information is only made available on an aggregate basis.

² 47 C.F.R. §§ 0.457 and 0.459; 5 U.S.C. § 552, et. seq. Section 0.457(d)(iii) specifically identifies information submitted in connection with audits, investigations, and examination of records pursuant to 47 U.S.C. 220 as material that has been accepted by the Commission on a confidential basis pursuant to 5 U.S.C. 552(b)(4).

- Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:
 - The information in the Excel spreadsheet on the CD-Rom is not publicly available.
- Justification of the period during which the submitting party asserts that material should not be available for public disclosure:
 - NECA requests that all of the data provided on the CD-Rom be treated as confidential indefinitely. Because of the sensitive nature of the data, it would not be appropriate for public disclosure at any time in the foreseeable future.
- Any other information that the party seeking confidential treatment believes may be useful in assessing whether its request for confidentially should be granted:

By addressing the data request to NECA, the Commission avoided the burden of seeking out the data for 1100+ study areas. However, the Commission should take care to not deprive those ILECs of the opportunity to speak for themselves in the event of a FOIA request for access to data. NECA requests that the Commission notify carriers of any FOIA request and allow them to be given a reasonable opportunity to file detailed information supporting continued confidential treatment of their respective data.

Accordingly, NECA requests confidential treatment of the data provided on the attached CD Rom pursuant to section 0.457 and 0.459 of the Commission's rules and paragraph 4 of the Protective Order. Pursuant to the Protective Order, NECA has marked the Excel spreadsheet on the CD-Rom and each page of the non-redacted version of this filing as follows:

CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBEJCT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135, 10-90, GN DOCKET NO. 09-51 BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

NECA has also complied with the requirement of the Protective Order for delivery of both the confidential and redacted copies of the filing.

cc: Sharon E. Gillett - Chief, WCB REDACTED - FOR PUBLIC INSPECTION

Data Summary

* Indicates see comments for details on data availability

Indicates see comments for details on data availabilit	Indicates see comments for details on data availability										
	Ref # (as shown in		l	.		Study Area					
Requested by FCC (2008-2010)	row 2 of data file)	Source	2008	2009	2010	Availability	Comments				
1) Interstate Switched Access			_	<u></u>							
Revenue by Study Area											
Revenue by rate element											
Revenue by originating and terminating			<u> </u>								
-MOU by Study Area											
MOU by rate element											
-MOU by originating and terminating											
Expense (Rev. Req.) by Study Area											
Expense (Rev. Req.) by rate element						_					
Expense (Rev. req) by originating & terminating											
2) Stratification of residential line count/rates for											
R1 as of year end 2010											
3) Intrastate Switched Access											
Revenue by Study Area											
-Revenue by rate element											
-Revenue by originating and terminating											
MOU by Study Area											
-MOU by rate element											
MOU by originating and terminating						_					
Expense (Rev. Req.) by Study Area						-					
Expense (Rev. Req.) by rate element	-										
Expense (Rev. req) by originating & terminating						-					
	_				\vdash						
4) Reciprocal Compensation				\vdash							
Revenue by Study Area				\vdash							
Revenue by rate element			\vdash	_							
MOU by Study Area		-		_		-					
MOU by rate element			t								
Expense by Study Area											
Expense by rate element											
Expense by rate crement						-					
						<u> </u>					
5) Additional annual data											
Local Revenue			\vdash	\vdash							
Federal USF revenue			\vdash	\vdash							
State USF revenue			1								
State USF revenueInterstate Special Access revenue			-		-		 				
interstate Special Access revenue	<u> </u>		1	<u> </u>							

Intrastate Special Access revenue					
NECA settlements revenue					
Other regulated revenue		_			
Total regulated revenue					
Video revenue					
Internet revenue					
Long distance revenue					
Other non-regulated revenue					
Total non-regulated revenue					
Year end penetration rates (video,internet,IXC)					
6) Long term debt broken out by lender					
Original amount	-				
Original term	·				_
Interest rate					
Remaining balance	_				
Remaining term					
Annual interest					
Principal payments					

	1	2	3	4	5	6	7
			2008 Inter-	 		2008 Inter-	
	Study Area	2008 Inter-	SWA Total Rev not	2008 Inter-	2008 Inter-	SWA RR net of	2008 Inter-
	Sequence Number	SWA Total Rev	in TS	SWA LS Rev	SWA non LS Rev	Uncoll.	SWA Orig Rev
Obs	seq	_2008RG_SWG	_2008BB_INTER	_2008RG_LSRE	_2008RG_NONL	_2008RG_SWNE	_2008XX_SWRE
		RSREV	_SW_REV_NON	V	SREV	TREV	V_ORIG
			TS				

ATTACHMENT 2 Main Tab - Page 2

CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHII

8	9	10	11	12	13	14
2008 Inter-						
SWA Term Rev	SWA Tot MOU	SWA Rate MOU	SWA Orig MOU	SWA Term MOU	SWA Tot RR	SWA LS RR
_2008XX_SWRE	_2008_ACCMIN	_2008XX_SWMO	_2008XX_SWMO	_2008XX_SWMO	_2008CSAS_SW	_2008CSAS_LS
VT_ERM	S	U_RATE	U_ORIG	U_TERM	RRQ	RRQ

3ITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN DOCKET NO. 09-51

13	10	1/	16	19		21
2008 Inter- SWA Non LS RR	2008 Inter- SWA Orig RR	2008 Inter- SWA Term RR	2008 Intra- SWA Total Rev	2008 Intra- SWA LS Rev	2008 Intra- SWA non LS Rev	2008 Intra- SWA Orig Rev
_2008CSAS_NO NLSRRQ	_2008XX_SWRR _ORIG	_2008XX_SWRR _TERM	_2008BB_STAT E_SW_REVENU E	_	_2008XX_STATE _SWREV_NONL S	_2008XX_STATE _SWREV_ORIG

CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET

22. 23 24 25 26 27 28

						20
2008 Intra- SWA Term Rev	2008 Intra- SWA Tot MOU	2008 Intra- SWA Rate MOU	2008 Intra- SWA Orig MOU	2008 Intra- SWA Term MOU	2008 Intra- SWA Tot RR	2008 Intra- SWA LS RR
_2008XX_STATE _SWREV_TERM	-	_2008XX_STATE _SWRATE	_2008BB_STAT E_MOU_ORIG	_2008BB_STAT E_MOU_TERM	I —	_2008XX_STATE _RR_LS

NOS. 05-337, 07-135 AND 10-90 AND GN CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDEF 29 30 31 32 33 34 35

2008 Intra-	2008 Intra-	2008 Intra-	2008 Recip	2008 Recip	2008 Recip	2008 Recip
SWA Non LS RR	SWA Orig RR	SWA Term RR	Comp Total Rev	Comp Rev by Rate	Comp Tot MOU	Comp Rate MOU
_2008XX_STATE	_2008XX_STATE	_2008XX_STATE	_2008RECIP_RE	_2008XX_RECIP	_2008RECIP_RE	_2008XX_RECIP
_RR_NONLS	_RR_ORIG	_RR_TERM	CCOMP	_REVRATE	CCOMPMOU	_RATEMOU

R IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHII 36 37 38 39 40 41 42

Comp Total Exp Comp Exp by Rate Rev USF Rev USF Rev SPA Rev not in TS 2008RECIP_RE 2008XX_RECIP 2008BB_LOCA 2008USF 2008BB_STAT 2008 SPNETR 2008BB_INTER
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43	44	45	46	Δ7	48	49

<u> 43</u>	44	43	40	4/	46	49
2008 Intra	2008	2008 Other	2008 Total	2008 Video	2008 Internet	2008 Long Dist
SPA Rev	Settlements Rev	Reg Rev	Reg Rev	Rev	Rev	Rev
_2008BB_STAT	I —	_	1 -	_		_2008BB_LONG
E_SP_REVENUE	REV	R_REG_REVEN	L_REG_REVEN	_REVENUE	NET_REVENUE	DIST_REVENUE
		UE	UE			

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		32		J 1		
		-		2008 YE		2009 Inter-
2008 Other	2008 Total	2008 YE	2008 YE	Pentration Long	2009 Inter-	SWA Total Rev not
Non Reg Rev	Non Reg Rev	Pentration Video	Pentration Internet	Dist	SWA Total Rev	in TS
_2008BB_OTHE	_2008BB_TOTA	_2008XX_PENE	_2008XX_PENE	_2008XX_PENE	_2009RG_SWG	_2009BB_INTER
R_NONREG_RE	L_NONREG_RE	TRATION_VIDE	TRATION_INTER	TRATION_LD	RSREV	_SW_REV_NON
v	V	0	NET			TS

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			- 00	01	02	05
		2009 Inter-				
2009 Inter-	2009 Inter-	SWA RR net of	2009 Inter-	2009 Inter-	2009 Inter-	2009 Inter-
SWA LS Rev	SWA non LS Rev	Uncoll.	SWA Orig Rev	SWA Term Rev	SWA Tot MOU	SWA Rate MOU
_2009RG_LSRE	_2009RG_NONL	_2009RG_SWNE	_2009XX_SWRE	_2009XX_SWRE	_2009_ACCMIN	_2009XX_SWMO
V	SREV	TREV	V_ORIG	VT_ERM	S	U_RATE
						•

5 AND 10-90 AND GN DOCKET NO. 09-51 CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDEF

	05					
2009 Inter-	2009 Inter-	2009 Inter-				
SWA Orig MOU	SWA Term MOU	SWA Tot RR	SWA LS RR	SWA Non LS RR	SWA Orig RR	SWA Term RR
_2009XX_SWMO	_2009XX_SWMO	_2009CSAS_SW	_2009CSAS_LS	_2009CSAS_NO	_2009XX_SWRR	_2009XX_SWRR
U_ORIG	U_TERM	RRQ	RRQ	NLSRRQ	_ORIG	_TERM

₹ IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHII

	12					
2009 Intra- SWA Total Rev	2009 Intra- SWA LS Rev	2009 Intra- SWA non LS Rev	2009 Intra- SWA Orig Rev	2009 Intra- SWA Term Rev	2009 Intra- SWA Tot MOU	2009 Intra- SWA Rate MOU
_2009BB_STAT E_SW_REVENU E	I	i— —	_2009XX_STATE _SWREV_ORIG	_	_	_2009XX_STATE _SWRATE

3ITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN CONFIDENTIAL INFO 78 79 80 81 82 83 84

2009 Intra-	2009 Intra-	2009 Intra-	2009 Intra-	2009 Intra-	2009 Intra-	2009 Intra-
SWA Orig MOU	SWA Term MOU	SWA Tot RR	SWA LS RR	SWA Non LS RR	SWA Orig RR	SWA Term RR
_2009BB_STAT		_2009XX_STATE	_2009XX_STATE	_2009XX_STATE	_2009XX_STATE	_2009XX_STATE
E_MOU_ORIG		_RR	_RR_LS	_RR_NONLS	_RR_ORIG	_RR_TERM

PRMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-13!

63	00		00	89	90	91
2009 Recip Comp Total Rev	2009 Recip Comp Rev by Rate	2009 Recip Comp Tot MOU	2009 Recip Comp Rate MOU	2009 Recip Comp Total Exp	2009 Recip Comp Exp by Rate	2009 Local Rev
_2009RECIP_9M O_RECCOMP	The state of the s	_2009RECIP_9M O_RECCOMPM OU	1	_2009RECIP_9M O_RECCOMPPY MT	_2009XX_RECIP _EXPRATE	_2009BB_LOCA L_REVENUE

5 AND 10-90 AND GN CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO.

	12		74		,,		0	91		70
2009 US	Federal SF Rev	2009 Sta	Inter PA Rev	2009 SPA Rev	Inter not in TS	2009 SPA	Intra Rev	2009 Settlements Rev	2009 Reg	Other Rev
	09USF	2009BB ST						_2009_TOTSETT		B OTHE
		E_USF_REVE	EV			E_SP_R		•		_REVEN
		E]	S				U	JE

01-92, WC DOCKET NOS. 05-337, 07-13 CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDEF 99 100 101 102 103 104 105

2009 Total	2009 Video	2009 Internet	2009 Long Dist	2009 Other	2009 Total	2009 YE
Reg Rev	Rev	Rev	Rev	Non Reg Rev	Non Reg Rev	Pentration Video
_2009BB_TOTA L_REG_REVEN UE	-	I — —	; —	i — —	_2009BB_TOTA L_NONREG_RE V	

R IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-13 CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO 106 107 108 109 110 111 112

2009 YE Pentration Internet 2009XX PENE		SWA Total Rev	SWA Total Rev not in TS 2010BB INTER	SWA LS Rev	2010 Inter- SWA non LS Rev 2010RG NONL	SWA RR net of Uncoll. _2010RG_SWNE
TRATION_INTER NET	_	RSREV	_SW_REV_NON TS	_	SREV	TREV

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110	111	115	117	117	110	110

113	117	113	110	117	110	119
2010 Inter-						
SWA Orig Rev	SWA Term Rev	SWA Tot MOU	SWA Rate MOU	SWA Orig MOU	SWA Term MOU	SWA Tot RR Cost
_2010XX_SWRE	_2010XX_SWRE	_2010_ACCMIN	_2010XX_SWMO	_2010XX_SWMO	_2010XX_SWMO	_2010CSAS_SW
V_ORIG	VT_ERM	S	U_RATE	U_ORIG	U_TERM	RRQ

PRMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO. 01-92, WC DOCKET NOS. 05-337, 07-13!

120 121 122 123 124 125 126

2010 Inter-	2010 Inter-	2010 Inter-	2010 Inter-	2010 Intra-	2010 Intra-	2010 Intra-
SWA LS RR	SWA Non LS RR	SWA Orig RR	SWA Term RR	SWA Total Rev	SWA LS Rev	SWA non LS Rev
			_2010XX_SWRR		_2010XX_STATE	_2010XX_STATE _SWREV_NONL S

5 AND 10-90 AND GN CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TO PROTECTIVE ORDER IN CC DOCKET NO.

127	128	129	130	131	132	133
2010 Intra- SWA Orig Rev	2010 Intra- SWA Term Rev	2010 Intra- SWA Tot MOU	2010 Intra- SWA Rate MOU	2010 Intra- SWA Orig MOU	2010 Intra- SWA Term MOU	2010 Intra- SWA Tot RR
	_2010XX_STATE _SWREV_TERM	-	_2010XX_STATE _SWRATE	_2010BB_STAT E_MOU_ORIG	_2010BB_STAT E_MOU_TERM	_2010XX_STATE _RR

01-92, WC DOCKET NOS. 05-337, 07-135 AND 10-90 AND GN CONFIDENTIAL INFORMATION (ADDITIONAL COPYING PROHIBITED) - SUBJECT TC 134 135 136 137 138 139 140

2010 Intra-	2010 Intra-	2010 Intra-	2010 Intra-	2010 Recip	2010 Recip	2010 Recip
SWA LS RR	SWA Non LS RR	SWA Orig RR	SWA Term RR	Comp Total Rev	Comp Rev by Rate	Comp Tot MOU
_2010XX_STATE _RR_LS	_2010XX_STATE _RR_NONLS	_2010XX_STATE _RR_ORIG	_2010XX_STATE _RR_TERM	_2010XX_RECIP _RECCOMP	_2010XX_RECIP _REVRATE	_2010XX_RECIP _RECCOMPMO U